

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
LightSquared Subsidiary LLC)	SAT-MOD-20101118-00239
)	
Request for Modification of its Authority for an)	
Ancillary Terrestrial Component)	
)	

TO: The Satellite Division, International Bureau

COMMENTS OF OPEN RANGE COMMUNICATIONS INC.

Open Range Communications Inc. (“Open Range”), by its attorney, hereby submits comments in support of the application of LightSquared Subsidiary LLC (“LightSquared”) for modification of its Ancillary Terrestrial Component (“ATC”) authority. For the reasons set forth below, Open Range urges the Commission to grant expeditiously the LightSquared request.

Open Range was formed in 2004 with a vision to build a network that closes the broadband gap between rural and urban areas of our country. When Open Range’s advanced wireless network is built, the services it will provide will be more flexible, less expensive, and easier to use than services now available in many urban areas. In Phase I the Open Range network will serve 6.5 million people in 555 communities in seventeen states. In subsequent phases the network will expand to additional communities eventually reaching 50 million rural residents. For the first time, rural residents in small towns will have the same opportunities for communications, web browsing and connectivity as those living in larger American cities.

On January 9, 2009, Open Range closed with the Department of Agriculture Rural Utilities Service (“RUS”) the largest rural broadband loan ever awarded by the RUS (\$267 million). This loan, together with an investment of \$100 million by JP Morgan’s One Equity Partners, comprise the financing required by Open Range to serve the 555 communities in its RUS plan.

Open Range began construction in its first five Colorado test markets in September 2009. Following the initial testing phase, Open Range began regular deployment of the network that same month. As of November 30, 2010, Open Range has deployed service in 111 communities having a combined population of approximately 2,000,000 persons. Open Range is now providing wireless broadband and VoIP services to over 21,000 customers. Open Range, directly and indirectly, employs over 1700 persons in the construction, operation, and management of its rural broadband network.

Open Range is a rural broadband service provider. ATC spectrum like that licensed to LightSquared is particularly well-suited to rural broadband deployments. Most of the spectrum licensed by the Commission that is useful for wireless broadband services is assigned on a geographic area basis (BTA, MTA, CMA, etc.). While an area licensing approach may serve well for services provided in urban areas, it acts as a barrier to entry for broadband deployments in rural areas.

The average size of the rural markets to be served by Open Range is approximately 11,000 persons. Service providers like Open Range which seek to serve smaller markets cannot afford to purchase spectrum covering far larger markets than they intend to serve. Thus, the typical Open Range market may include only a small fraction of the total population

encompassed within an FCC geographic-licensed area. Moreover, funding from the RUS, on which Open Range and other rural service providers rely, is only available for communities of 20,000 or fewer persons. The availability of ATC spectrum and its unique utilization and apportionment are critical to the Open Range deployment because it is available nationwide and may be used in very small communities without the need to obtain separate local FCC licensing. If Open Range were required to obtain individual FCC licenses or other means of access to spectrum in each of the small communities it seeks to serve, its plan could be infeasible. The communities Open Range seeks to serve are far smaller than the smallest area-type licenses awarded by the FCC. Negotiating to acquire disaggregated spectrum or to lease spectrum in potentially disparate bands in more than 500 rural communities across 17 states, would be a herculean task. Such a task could substantially delay the roll out of service in many rural communities and jeopardize both the project and the hundreds of current and future jobs associated with the project. For these reasons, Open Range and similar service providers, are hard pressed to achieve reasonable commercial terms for area-wide licenses in order to serve only a handful of the small markets within that area.

A related barrier to rural broadband entry exists where service providers purchase area-wide FCC licenses. Once a service provider makes the substantial investment required to purchase spectrum at the BTA, MTA, or CMA level, it has no choice but to serve the densest areas of that market in order to recoup its investment. Once the urban service is established, that same service provider has a much weaker incentive to serve rural areas with far lower population density and far higher costs per customer. This pattern is evident in the marketplace today where carriers generally focus their services on the cities and interstate highways connecting them. Taken together, the cost barrier created by the need to purchase

licenses for large areas that will not be served coupled with the disincentive of those who do purchase area-wide licenses to serve rural areas work in concert against the deployment of rural broadband services.

In contrast, MSS/ATC spectrum is available nationwide and can be used in smaller and less dense rural areas on a pay-as-you-go basis without the cost penalty associated with area-wide licenses. ATC spectrum can be used in small, low-density, communities at a cost per customer which, although higher, is feasible for small communities. This highly unusual, if not unique, characteristic of ATC spectrum makes it an ideal candidate for rural broadband deployments and indeed the Open Range deployment to date has proceeded using ATC spectrum.

Beyond the lower cost of spectrum inherent in an MSS/ATC rural deployment, the LightSquared plan offers a number of additional advantages for rural deployments. The LightSquared wholesale model makes it possible for smaller rural providers to participate in a large national network and device ecosystem. This means that users in rural areas can employ the same CPE and other devices available to those in urban areas. This not only multiplies the range of alternative devices available to rural residents, but it drives down the cost of those devices. In addition, nationwide seamless roaming provides rural residents the opportunity to use their network devices throughout the United States. This provides substantial advantages over many of the rural deployments that have proceeded to date based upon unlicensed spectrum and non-interoperable technologies. Thus, the deployment of rural broadband services in the context of the LightSquared wholesale model will bring to rural areas, in many cases for the first time, wireless broadband services that are fully comparable to those available in urban areas.

Open Range urges the Commission to approve expeditiously the LightSquared application. Approval will serve the public interest by furthering the Commission's goal of bringing wireless broadband services to rural areas that do not have adequate broadband services today.

Respectfully submitted,

Open Range Communications Inc.

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Comments was sent by first class mail, this 2nd day of December, 2010, to each of the following:

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